

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

In re: **James R. Mahar and Karen G. Mahar**

Case No. 11-10315-JHW

Reporting Period: 12/23/10 to 1/25/11

**MONTHLY OPERATING REPORT
(INDIVIDUAL WAGE EARNERS)**

File with Court and submit copy to United States Trustee within 20 days after end of month

Include FORM MOR-1 (INDV) if debtor is a wage earner.
Substitute FORM MOR-2 (RE) for MOR-1 if case is a Single Asset Real Estate case.
Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1 (INDV)	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CONT)	X	
Copies of bank statements			
Cash disbursements journals			
Statement of Operations			
Balance Sheet		X	
Status of Postpetition Taxes		X	
Copies of IRS Form 6123 or payment receipt			
Copies of tax returns filed during reporting period			
Summary of Unpaid Postpetition Debts		X	
Listing of aged accounts payable			
Accounts Receivable Reconciliation and Aging		X	
Debtor Questionnaire		X	

I declare under penalty of perjury (28 U.S.C. Section 1746) that the documents attached to this report are true and correct to the best of my knowledge and belief.

/s/ James R. Mahar
Signature of Debtor

04/25/11
Date

/s/ Karen G. Mahar
Signature of Joint Debtor

04/25/11
Date

Signature of Authorized Individual*

Date

Printed Name of Authorized Individual

Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

In re: **James R. Mahar and Karen G. Mahar**

Debtor

Case No. 11-10315-JHW

Reporting Period ___ 12/23/10 to 1/25/11

59-050034-8

INDIVIDUAL DEBTOR CASH RECEIPTS AND CASH DISBURSEMENTS

(This Form must be submitted for each Bank Account maintained by the Debtor)

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. Attach the bank statements and a detailed list of all disbursements made during the report period that includes the date, the check number, the payee, the transaction description, and the amount. A bank reconciliation must be attached for each account. [See MOR-1 (INDV) (CONT)]

	Current Month Actual	Cumulative Filing to Date Actual
Cash - Beginning of Month (Combined)	1,088.52	-
RECEIPTS		
Wages (Net)		
Interest and Dividend Income		
Alimony and Child Support		
Social Security and Pension Income		
Sale of Assets-		
Other Income (attach schedule) Refunds from Big Lot	22.47	22.47
Other Income (attach schedule) Draws from Decompressionwear	2,240.00	2,240.00
Total Receipts	2,262.47	2,262.47
DISBURSEMENTS		
ORDINARY ITEMS:		
Mortgage Payment(s)		
Other Secured Note Payment:		
Utilities	637.42	637.42
Insurance		
Auto Expense		
Lease Payments		
IRA Contributions		
Repairs and Maintenance	125.00	125.00
Medical Expenses	184.96	184.96
Household Expenses	589.57	589.57
Charitable Contributions		
Alimony and Child Support Payments		
Taxes - Real Estate	97.62	97.62
Taxes - Personal Property		
Taxes - Other (attach schedule)		
Travel and Entertainment		
Gifts	73.61	73.61
Other (attach schedule)*	1,642.67	1,642.67
Total Ordinary Disbursements	3,350.85	3,350.85
REORGANIZATION ITEMS:		
Professional Fees		
U. S. Trustee Fees		
Other Reorganization Expenses (attach schedule)		
Total Reorganization Items		
Total Disbursements (Ordinary + Reorganization)	3,350.85	3,328.38
Net Cash Flow (Total Receipts - Total Disbursements)	(1,088.38)	(1,088.38)
Cash - End of Month (Must equal reconciled bank statemen	0.14	0.14

FORM MOR-1(INDV)

(9/99)

Disbursements - Other

Payback to Decompressionwear	700.00
Bank Fees	20.00
Dues & Subscriptions	39.54
Food & Dining Out	883.13
	<u>1,642.67</u>

In re: **James R. Mahar and Karen G. Mahar**
Debtor

Case No. 11-10315-JHW
Reporting Period __ 12/23/10 to 1/25/11

INDIVIDUAL DEBTOR CASH RECEIPTS AND CASH DISBURSEMENTS

(This Form must be submitted for each Bank Account maintained by the Debtor)

33-009637-0

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. Attach the bank statements and a detailed list of all disbursements made during the report period that includes the date, the check number, the payee, the transaction description, and the amount. A bank reconciliation must be attached for each account. [See MOR-1 (INDV) (CONT)]

	Current Month Actual	Cumulative Filing to Date Actual
Cash - Beginning of Month (Wachovia Savings 2850)	190.09	
RECEIPTS		
Wages (Net)		
Interest and Dividend Income		
Alimony and Child Support		
Social Security and Pension Income		
Sale of Assets-		
Other Income (attach schedule) Transfer to Debtor in Poss		
Total Receipts	190.09	
DISBURSEMENTS		
ORDINARY ITEMS:		
Mortgage Payment(s)		
Other Secured Note Payment:		
Utilities		
Insurance		
Auto Expense		
Lease Payments		
IRA Contributions		
Repairs and Maintenance		
Medical Expenses		
Household Expenses		
Charitable Contributions		
Alimony and Child Support Payments		
Taxes - Real Estate		
Taxes - Personal Property		
Taxes - Other (attach schedule)		
Travel and Entertainment		
Gifts		
Other - Closed account, Transfer to Wachovia DIP 8818	190.09	190.09
Total Ordinary Disbursements	190.09	190.09
REORGANIZATION ITEMS:		
Professional Fees		
U. S. Trustee Fees		
Other Reorganization Expenses (attach schedule)		
Total Reorganization Items		
Total Disbursements (Ordinary + Reorganization)	190.09	190.09
Net Cash Flow (Total Receipts - Total Disbursements)	0	0
Cash - End of Month (Must equal reconciled bank statemen	0	0

FORM MOR-1(INDV)
(9/99)

Saving account - closed

In re: **James R. Mahar and Karen G. Mahar**
Debtor

Case No. 11-10315-JHW
Reporting Period ___ 12/23/10 to 1/25/11

59-050034-8

INDIVIDUAL DEBTOR CASH RECEIPTS AND CASH DISBURSEMENTS

(This Form must be submitted for each Bank Account maintained by the Debtor)

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	Current Month Actual	Cumulative Filing to Date Actual
Cash - Beginning of Month (Wachovia Checking 3967)	488.43	-
RECEIPTS		
Wages (Net)		
Interest and Dividend Income		
Alimony and Child Support		
Social Security and Pension Income		
Sale of Assets-		
Other Income (attach schedule) Refunds from Big Lot	22.47	22.47
Other Income (attach schedule) Draws from Decompressionwear	1,540.00	2,240.00
Total Receipts	1,562.47	2,262.47
DISBURSEMENTS		
ORDINARY ITEMS:		
Mortgage Payment(s)		
Other Secured Note Payments		
Utilities	637.42	637.42
Insurance		
Auto Expense		
Lease Payments		
IRA Contributions		
Repairs and Maintenance		
Medical Expenses	184.96	184.96
Household Expenses	73.19	73.19
Charitable Contributions		
Alimony and Child Support Payments		
Taxes - Real Estate	97.62	97.62
Taxes - Personal Property		
Taxes - Other (attach schedule)		
Travel and Entertainment		
Gifts	73.61	73.61
Other (attach schedule)*	984.10	984.10
Total Ordinary Disbursements	2,050.90	2,050.90
REORGANIZATION ITEMS:		
Professional Fees		
U. S. Trustee Fees		
Other Reorganization Expenses (attach schedule)		
Total Reorganization Items		
Total Disbursements (Ordinary + Reorganization)	2,050.90	2,050.90
Net Cash Flow (Total Receipts - Total Disbursements)	(488.43)	(488.43)
Cash - End of Month (Must equal reconciled bank statement)	-	-

FORM MOR-1(INDV)
(9/99)

Disbursements - Other

Dues & Subscriptions (Onstar)	39.54
Food & Dining Out	668.96
Transfer to Wachovia Savings 4007	10.00
Transfer to Close Account - To Wachovia DIP Account 8818	<u>265.60</u>
	984.10

old personal- closed

In re: **James R. Mahar and Karen G. Mahar**

Debtor

Case No. 11-10315-JHW

Reporting Period ___ 12/23/10 to 1/25/11

59-050034-8

INDIVIDUAL DEBTOR CASH RECEIPTS AND CASH DISBURSEMENTS

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	Current Month Actual	Cumulative Filing to Date Actual
Cash - Beginning of Month (Wachovia Savings 4007)	420.00	-
RECEIPTS		
Wages (Net)		
Interest and Dividend Income		
Alimony and Child Support		
Social Security and Pension Income		
Sale of Assets-		
Other Income (attach schedule) Refunds from Big Lot		
Other Income (attach schedule) Draws from Decompressionwear		
Total Receipts	-	-
DISBURSEMENTS		
ORDINARY ITEMS:		
Mortgage Payment(s)		
Other Secured Note Payment:		
Utilities		
Insurance		
Auto Expense		
Lease Payments		
IRA Contributions		
Repairs and Maintenance		
Medical Expenses		
Household Expenses		
Charitable Contributions		
Alimony and Child Support Payments		
Taxes - Real Estate		
Taxes - Personal Property		
Taxes - Other (attach schedule)		
Travel and Entertainment		
Gifts		
Other (Transfer to Wachovia DIP Account 8818)	420.00	420.00
Total Ordinary Disbursements	420.00	420.00
REORGANIZATION ITEMS:		
Professional Fees		
U. S. Trustee Fees		
Other Reorganization Expenses (attach schedule)		
Total Reorganization Items		
Total Disbursements (Ordinary + Reorganization)	420.00	420.00
Net Cash Flow (Total Receipts - Total Disbursements)	(420.00)	(420.00)
Cash - End of Month (Must equal reconciled bank statemen	-	-

FORM MOR-1(INDV)
(9/99)

Margate Adv - closed

In re: **James R. Mahar and Karen G. Mahar**

Debtor

Case No. 11-10315-JHW

Reporting Period ___ 12/23/10 to 1/25/11

59-050034-8

INDIVIDUAL DEBTOR CASH RECEIPTS AND CASH DISBURSEMENTS

(This Form must be submitted for each Bank Account maintained by the Debtor)

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. Attach the bank statements and a detailed list of all disbursements made during the report period that includes the date, the check number, the payee, the transaction description, and the amount. A bank reconciliation must be attached for each account. [See MOR-1 (INDV) (CON'T)]

	Current Month Actual	Cumulative Filing to Date Actual
Cash - Beginning of Month (Wachovia DIP 8818)	-	-
RECEIPTS		
Wages (Net)		
Interest and Dividend Income		
Alimony and Child Support		
Social Security and Pension Income		
Sale of Assets-		
Other Income (Transfer from Wachovia Checking 3967)	265.60	265.60
Other Income (Transfer from Wachovia Savings 4007)	420.00	420.00
Other Income (Transfer from Wachovia Savings 2850)	190.09	190.09
Other Income (Draws from Decompressionwear)	700.00	700.00
Total Receipts	1,575.69	1,575.69
DISBURSEMENTS		
ORDINARY ITEMS:		
Mortgage Payment(s)		
Other Secured Note Payments		
Utilities		
Insurance		
Auto Expense		
Lease Payments		
IRA Contributions		
Repairs and Maintenance	125.00	125.00
Medical Expenses		
Household Expenses	516.38	516.38
Charitable Contributions		
Alimony and Child Support Payments		
Taxes - Real Estate		
Taxes - Personal Property		
Taxes - Other (attach schedule)		
Travel and Entertainment		
Gifts		
Other (See Attached)	934.17	934.17
Total Ordinary Disbursements	1,575.55	1,575.55
REORGANIZATION ITEMS:		
Professional Fees		
U. S. Trustee Fees		
Other Reorganization Expenses (attach schedule)		
Total Reorganization Items		
Total Disbursements (Ordinary + Reorganization)	1,575.55	1,575.55
Net Cash Flow (Total Receipts - Total Disbursements)	0.14	0.14
Cash - End of Month (Must equal reconciled bank statement)	0.14	0.14

Other Expenses:

Payback to Decompressionwear	700.00
Food & Dining Out	214.17
Bank Fees (New Checks)	20.00
Total	934.17

FORM MOR-1(INDV)
(9/99)

New personal DIP account

-

MOR-1SUP

In re: **James R. Mahar and Karen G. Mahar**

Case No: 11-10315-JHW

Reporting Period:

12/23/10 to 1/25/11

Bank Reconciliations (Continuation Sheet for MOR-1)

Balance Per Books										
Bank Balance	1/25/2011	0.14	-	-	-	-	-	-	-	-
(+) Deposits in Transit			-	-	-	-	-	-	-	-
(-) Outstanding Checks		-	-	-	-	-	-	-	-	-
(-) Outstanding Debits		-	-	-	-	-	-	-	-	-
Adjusted Bank Balance		0.14	-	-	-	-	-	-	-	-
* Adjusted bank balance must equal balance per books										
DEPOSITS IN TRANSIT	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount
Totals		-	-	-	-	-	-	-	-	-
OUTSTANDING CHECKS	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount
Totals			-	-	-	-	-	-	-	-

MOR-ISUP

MOR-3

In re: **James R. Mahar and Karen G. Mahar**

Case No: 11-10315-JHW
Reporting Period: 12/23/10 to 1/25/11

BALANCE SHEET (CASH BASIS)

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified from postpetition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
CURRENT ASSETS		
Unrestricted Cash and Equivalents	\$ 0.14	\$ 710.00
Restricted Cash and Cash Equivalents (<i>see continuation sheet</i>)	-	-
Accounts Receivable (Net)	-	-
Notes Receivable (Loans to Employees)	-	-
Inventories	-	-
Prepaid Expenses	-	-
Professional Retainers	-	-
Other Current Assets (<i>attach schedule</i>)	-	-
TOTAL CURRENT ASSETS	0.14	710.00
PROPERTY AND EQUIPMENT		
Real Property and Improvements (FMV)	1,100,000.00	1,100,000.00
Machinery and Equipment	-	-
Furniture, Fixtures and Office Equipment (Personal Assets)	3,000.00	3,000.00
Leasehold Improvements	-	-
Vehicles (including boats)	9,450.00	9,450.00
Less Accumulated Depreciation	-	-
TOTAL PROPERTY & EQUIPMENT	1,112,450.00	1,112,450.00
OTHER ASSETS		
Loans to Insiders*	-	-
Other Assets (<i>attach schedule</i>)	-	-
TOTAL OTHER ASSETS	-	-
TOTAL ASSETS	1,112,450.14	1,113,160.00

LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)		
Accounts Payable	-	-
Taxes Payable (<i>refer to FROM MOR-4</i>)	-	-
Wages Payable	-	-
Notes Payable (Guarantees)	-	-
Rent / Leases - Building/Equipment	-	-
Secured Debt / Adequate Protection Payments (Mortgages less holding acct)**	-	-
Professional Fees	-	-
Amounts Due to Insiders*	-	-
Other Postpetition Liabilities (<i>attach schedule</i>)	-	-
TOTAL POSTPETITION LIABILITIES	-	-
LIABILITIES SUBJECT TO COMPROMISE (Pre-petition)		
Secured Debt	2,503,977.97	2,503,977.97
Priority Debt	19,200.00	19,200.00
Unsecured Debt	328,316.00	328,316.00
TOTAL PRE-PETITION LIABILITIES	2,851,493.97	2,851,493.97
TOTAL LIABILITIES	2,851,493.97	2,851,493.97
OWNER EQUITY		
Capital Stock	-	-
Additional Paid-In Capital	-	-
Partners Capital Account	-	-
Owner's Equity Account	-	-
Retained Earnings - Pre-Petition	-	-
Retained Earnings - PostPetition	-	-
Adjustments to Owner Equity (<i>attach schedule</i>)	-	-
Postpetition Contributions (Distributions) (Draws) (<i>attach schedule</i>)	-	-
NET OWNER EQUITY	-	-
TOTAL LIABILITIES AND OWNER EQUITY	2,851,493.97	2,851,493.97

* "Insider" is defined in 11 U.S.C. Section 101(31)

Form MOR-3

MOR-3

In re: James R. Mahar and Karen G. Mahar

Case No:

11-10315-JHW

Reporting Period:

1/26/2011-2/28/2011

BALANCE SHEET - CONTINUATION SHEET

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
Other Current Assets		
	-	-
	-	-
	-	-
Other Assets		
	-	-
	-	-
	-	-
	-	-
LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
Other Postpetition Liabilities		
	-	-
	-	-
Adjustments to Owner Equity		
Postpetition Contributions (Distributions) (Draws)		

Restricted Cash: cash that is restricted for a specific use and not available to fund operations. Typically, restricted cash is segregated into a separate account, such as an escrow account

MOR-4

In re: **James R. Mahar and Karen G. Mahar**

Case No: 11-10315-JHW
Reporting Period: 12/23/10 to 1/25/11

STATUS OF POSTPETITION TAXES

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.

Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes

Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
Federal						
Withholding	\$ -					\$ -
FICA - Employee	-					-
FICA - Employer	-					-
Unemployment	-					-
Income	-					-
Other:	-					-
Total Federal Taxes	-	-	-			-
State and Local						
Withholding	-					-
Sales	-					-
Excise	-					-
Unemployment	-					-
Real Property	-	-	-			-
Personal Property	-					-
Other: Medical & Dues	-					-
Total State and Local	-					-
Total Taxes	\$ -					\$ -

SUMMARY OF UNPAID POSTPETITION DEBTS

Attach aged listing of accounts payable

	Number of Days Past Due						Total
	Current	0-30	31-60	61-90	Over 90		
Accounts Payable	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Wages Payable (Commissions)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Taxes Payable	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Rent/Leases-Building	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Rent/Leases-Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Secured Debt/Adequate Protection Payments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Professional Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Amounts Due to Insiders*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Other:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Other:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Total Postpetition Debts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00

Explain how and when the Debtor intends to pay any past-due post petition debts

*"Insider" is defined in 11 U.S.C Section 101(31)

MOR-5

In re: **James R. Mahar and Karen G. Mahar**

Case No: 11-10315-JHW
Reporting Period: 12/23/10 to 1/25/11

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	-
+ Amounts billed during the period	-
- Amounts collected during the period	-
Total Accounts Receivable at the end of the reporting period	-

Accounts Receivable Aging	Amount
0-30 days old	-
31 - 60 days old N/A	-
61 - 90 days old	-
91+ days old	-
Total Accounts Receivable	-
Amounts considered uncollectable (Bad Debt)	-
Accounts Receivable (Net)	-

DEBTOR QUESTIONNAIRE

Must be completed each month	Yes	No
1. Have any of the assets been sold or transferred outside the normal course of business this reporting		XXX
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting		XXX
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	XXX	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	XXX	

MOR-5